

FISCAL IMPACT STATEMENT ON **H.3028**

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TO:	The Honorable Ronald P. Townsend, Chairman, House Education and Public Works Committee
FROM:	Office of State Budget, Budget and Control Board
ANALYSTS:	Kate Billing, Harry Bell, Kenneth Brown, Allan Kincaid
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AUTHOR:	Representative Scott	PRIMARY CODE CITE:	1-11-800
SUBJECT:	Mobility Development Authority		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES IS:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

House Bill 3028 establishes the Mobility Development Authority within the State Budget and Control Board. The Authority would be responsible for developing and coordinating a general mass transit program and policy for the State. In addition, all public transportation duties, responsibilities and funding of the Departments of Social Services, Transportation, Mental Health, Disabilities and Special Needs, and Health and Human Services would be devolved upon this Authority.

EXPLANATION OF IMPACT:

State Budget and Control Board (BC&B)

If as stated, funding and personnel would be transferred to the Budget and Control Board from the entities designated in the Bill, there would be no additional cost to the BC&B to establish the Mobility Development Authority within the Agency.

Department of Transportation (DOT)

DOT has General Fund appropriations of \$100,990 for mass transit. In addition, Section 12-28-2725 directs one quarter of one cent of gas tax revenue "... must be used by the Department for mass transit". Total gas tax revenue (other funds) dedicated to mass transit is \$6 million. Federal funds received by DOT for mass transit total approximately \$15 million. All three sources of funds total \$21 million. There are sixteen other funded positions dedicated to mass transit at DOT.

Department of Mental Health (DMH)

DMH has indicated the Department's transportation budget is \$1.7 million in General Funds and \$1.1 million in Other Funds. The Department provides individualized transportation to DMH programs, medical and court appointments, employment, and other destinations to clients at facilities and mental health centers across the state.

Department of Disabilities and Special Needs (DDSN)

DDSN has indicated that based on most recent surveys of county centers, the cost of providing client transportation includes \$2.5 million in General Funds and almost \$6 million in Other Funds. DDSN provides individualized transportation services for its clients across the state, transporting clients to and from work activities, medical appointments, daily group activities and recreational outings.

Department of Health and Human Services (DHHS)

DHHS is responsible for Title XIX Medicaid transportation services. Medicaid transportation also includes ambulance services. State General funds dedicated to these transportation services total \$13.1 million, while Federal and Other

Funds are \$30.1 million. Six FTEs (3.0 State and 3.0 Federal) and one TGE (0.5 State and 0.5 Federal) are dedicated to coordinating these transportation services. Administration of these services through the Mobility Development Authority may result in additional administration costs, but they are expected to be minimal and could be absorbed.

Department of Social Services (DSS)

DSS indicates that while it does purchase and/or provide transportation to clients under particular circumstances, this Bill should have no impact on the General Fund of the State or on Federal and/or Other funds.

<u>Estimated Agency Transportation Funds</u>			
	State <u>General Funds</u>	Federal and/or <u>Other Funds</u>	Total <u>Funds</u>
Department of Transportation	\$ 100,990	\$ 20,860,000	\$ 20,960,990
Department of Mental Health	\$ 1,700,000	\$ 1,100,000	\$ 2,800,000
Department of Disabilities & Special Needs	\$ 2,500,000	\$ 6,000,000	\$ 8,500,000
Department of Health & Human Services	\$ 13,100,000	\$ 30,100,000	\$ 43,200,000
Department of Social Services	\$ -	\$ -	\$ -
Total	\$ 17,400,990	\$ 58,060,000	\$ 75,460,990

LOCAL GOVERNMENT IMPACT:

None.


SPECIAL NOTES:

It is assumed the Mobility Development Authority would provide and replicate all the transportation services (including routes and assistance for clients with special needs) currently provided by the agencies referenced above. Otherwise, these agencies would have to continue providing these same transportation services in whole, or in part, which would likely result in a fiscal impact for these agencies.

This fiscal impact only details the funding in those agencies specifically listed in the Bill. There may be other agencies, most notably Vocational Rehabilitation, that also provide transit services for clients.

The General Assembly may choose to address language in Section 12-28-2725, which states that a portion of Gas Tax Revenue must be used by the Department of Transportation for mass transit, so as to allow these funds to be used by the Mobility Development Authority.

Approved by:



Don Addy
Assistant Director, Office of State Budget